

Required Report - public distribution

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Bangladesh

LOCK-UP REPORT

Grain and Feed - August 2009

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Report Highlights:

Wheat import estimates for MY 2008/09 (July-June) are revised up to 2.4 million tons, while rice is adjusted down to 602,600 tons. With the improving monsoon situation, rice production for MY 2009/10 is forecast at 31 million tons, while imports of rice and wheat are estimated at 500,000 tons and 2 million tons, respectively.

Post:

Dhaka

Commodities:

Author Defined:

Production

The drought like conditions following poor monsoon rains in June (potentially impacting the Aman rice crop which is planted in July/August and harvested in November/December) seem to have improved following good rainfall during the first week of July. However, a dry spell continues to affect the 16 northern-western districts. Transplantation of Aman rice is now in full swing. As an emergency measure, the Government of Bangladesh (GOB) has decided to supply free electricity to farmers to run irrigation pumps to support Aman rice planting.

Nonetheless, additional rains are needed to achieve the GOB targeted Aman rice coverage of 5.8 million hectares. The GOB will try to offset any possible production losses in the Aman crop through higher production in the Boro (summer) season. Hence, forecasted rice production for the MY2009/10 is unchanged at 31 million tons.

Based on latest available information, wheat production for MY 2008/09 is estimated down to 844,000 tons.

Price situation

Food grain prices have been stable during the past few months due to an excellent Boro rice harvest this summer and larger wheat imports. The average retail price of coarse rice in July 2009 has been Taka 20 (\$0.29) per kilogram, 39 percent below last year's price. Wheat prices have also declined by 49 percent compared to last year, and currently stand at Taka 18 (\$0.26) per kilogram.

Imports

Rice imports for MY 2008/09 are expected to fall to 602,600 tons as domestic prices also decline. Wheat import estimates are revised up to 2.4 million tons, with more imports in the private sector as traders take advantage of softing prices. Rice and wheat imports for MY 2009/10 are expected to remain unchanged at 500,000 tons and 2 million tons respectively.

Table 1: Commodity, Rice, Milled, PSD

| Rice, Milled Bangladesh | 2007 | | | 2008 | | | 2009 | | |
|-------------------------------|-----------------------------|--------|----------|-----------------------------|--------|----------|-----------------------------|--|--------|
| | 2007/2008 | | | 2008/2009 | | | 2009/2010 | | |
| | Market Year Begin: Jul 2007 | | | Market Year Begin: Jul 2008 | | | Market Year Begin: Jul 2009 | | |
| | USDA Official Data | | Old Post | USDA Official Data | | Old Post | USDA Official Data | | Feb |
| | | | Data | | | Data | | | Data |
| Area Harvested | 11,100 | 11,100 | 11,100 | 11,600 | 11,300 | 11,600 | 11,600 | | 11,600 |
| Beginning Stocks | 446 | 446 | 446 | 546 | 546 | 546 | 1,246 | | 1,148 |
| Milled Production | 28,800 | 28,600 | 28,800 | 31,000 | 29,400 | 31,000 | 31,000 | | 31,000 |

| | | | | | | | | | |
|----------------------|--------|--------|--------|--------|--------|--------|--------|--|--------|
| Rough Production | 43,204 | 42,904 | 43,204 | 46,505 | 44,104 | 46,505 | 46,505 | | 46,505 |
| Milling Rate (.9999) | 6,666 | 6,666 | 6,666 | 6,666 | 6,666 | 6,666 | 6,666 | | 6,666 |
| MY Imports | 2,047 | 1,700 | 2,047 | 700 | 1,000 | 602 | 500 | | 500 |
| TY Imports | 1,658 | 1,235 | 1,658 | 700 | 1,000 | 500 | 500 | | 500 |
| TY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| Total Supply | 31,293 | 30,746 | 31,293 | 32,246 | 30,946 | 32,148 | 32,746 | | 32,648 |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| TY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| Total Consumption | 30,747 | 30,200 | 30,747 | 31,000 | 30,400 | 31,000 | 31,800 | | 31,800 |
| Ending Stocks | 546 | 546 | 546 | 1,246 | 546 | 1,148 | 946 | | 848 |
| Total Distribution | 31,293 | 30,746 | 31,293 | 32,246 | 30,946 | 32,148 | 32,746 | | 32,648 |

Table 2: Commodity, Wheat, PSD

| Wheat Bangladesh | 2007 | | | 2008 | | | 2009 | | |
|---------------------|--------------------------------|-------|-------------|--------------------------------|-------|-------------|--------------------------------|--|-------|
| | 2007/2008 | | | 2008/2009 | | | 2009/2010 | | |
| | Market Year Begin: Jul 2007 | | | Market Year Begin: Jul 2008 | | | Market Year Begin: Jul 2009 | | |
| | USDA Official Data | | Old Post | USDA Official Data | | Old Post | USDA Official Data | | Jan |
| | | | Data | | | Data | | | Data |
| Area Harvested | 440 | 440 | 440 | 400 | 400 | 400 | 400 | | 400 |
| Beginning Stocks | 427 | 116 | 116 | 382 | 216 | 326 | 762 | | 495 |
| Production | 1,200 | 1,000 | 1,200 | 880 | 800 | 844 | 1,000 | | 1,000 |
| MY Imports | 1,555 | 1,500 | 1,410 | 2,800 | 2,000 | 2,425 | 2,000 | | 2,000 |
| TY Imports | 1,555 | 1,500 | 1,410 | 2,800 | 2,000 | 2,425 | 2,000 | | 2,000 |
| TY Imp. from U.S. | 330 | 300 | 330 | 0 | 100 | 100 | 0 | | 50 |
| Total Supply | 3,182 | 2,616 | 2,726 | 4,062 | 3,016 | 3,595 | 3,762 | | 3,495 |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| TY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| Feed Consumption | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| FSI Consumption | 2,800 | 2,400 | 2,400 | 3,300 | 2,800 | 3,100 | 3,350 | | 3,200 |
| Total Consumption | 2,800 | 2,400 | 2,400 | 3,300 | 2,800 | 3,100 | 3,350 | | 3,200 |
| Ending Stocks | 382 | 216 | 326 | 762 | 216 | 495 | 412 | | 295 |
| Total Distribution | 3,182 | 2,616 | 2,726 | 4,062 | 3,016 | 3,595 | 3,762 | | 3,495 |